

# Fitting Estate Development Plan into the Area Development Framework



ESTATE DEVELOPMENT PLANNING

Notes 4

Development Investment Management



*It is important for local governments to know their estate development options and to commit and organize their efforts around the development path they have chosen.*

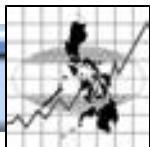
## Estate Development: A Need, an Opportunity, Or a Threat in Your Area

Choosing the estate development option calls for critical judgment on the part of the local government unit (LGU). The LGU needs to decide which area development framework in estate development planning suits the various needs and dynamics of the region where it is located. One framework is the Special Economic Zone Law (RA 7916) which paves the way for the establishment of ecozones throughout the country. Ecozones will serve as regional growth centers outside the National Capital Region, from which industries will be dispersed, thereby generating economic activity and employment in the countryside. Another is the Agri-Fisheries Modernization Act (AFMA), a framework for the development and modernization of the agriculture and fisheries sectors. Its goal is food security and sufficiency. Tourism and its variants (e.g., eco-tourism), because of downstream industries and multiplicity of activities connected to it, is also another framework.

By reviewing the features of each area development framework vis-à-vis the territory's potentials, the LGU can decide whether to pursue an agricultural-, agri-industrial-, or industrial-oriented development or use some other framework best suited to its goals. Several LGUs may opt for the same development model, but outcomes and levels of success may differ, simply because conditions vary in their respective areas. What is important is for LGUs to know their options and to commit and organize their efforts around the development path they have chosen.

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## Technology

### Fitting the Comprehensive Land Use Plan into the Physical Framework Plan

How do you know if the LGU's preferred estate development plan is within the context of the area development framework? Examine the different estate development options vis-a-vis the area's Physical Framework Plan (PFP). Basically, the estate development plan you choose is the "demand" side, while the PFP can be viewed as the "supply." A Physical Framework Plan responds to the need for rational land use and physical development of a given area.

To stress the importance of physical planning in the country's overall planning system, the Philippine Government approved and adopted the National Physical Framework Plan (NPFP) for 1993-2022 on October 2, 1992. To make the NPFP operational, LGUs from the regional, provincial, down to the municipal level, together with concerned agencies and stakeholders were mandated to prepare their respective Comprehensive Land Use Plans (CLUP).

Why comprehensive? Under the Local Government Code of 1991, the LGUs are not only responsible for their built-up or urban areas, but also to areas outside it, like its forests, national parks and similar reservations that can be found or located within their political territories. This means that in the formulation of the CLUP, the entire area is considered as one planning unit. Thus, the CLUP should reflect the various land categories, such as agriculture, forest, built-up or urban areas.

tation instruments, the components reflect broad and integrated land use policies for the area. In terms of economic production, the LGU must resolve these questions: Will the area be more agriculture- or industry-



*Settlement Land Use: A housing subdivision*



*Protection Land Use: Eco-tourism development in Diadi, Nueva Vizcaya*

The CLUP has four major components, namely: Production Land Use, Protection Land Use, Settlement Development, and Infrastructure Development. Translated into implemen-

based? What will be the basis and rationale for conservation and sustainable development? Which areas will be allowed for private and public investments? How will the spatial distribution of the population be classified? Where and what will be the focus of infrastructure development? How will all these policies complement and support each other to serve the populace?

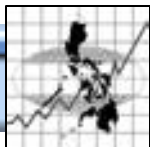


*Production Land Use: Extraction of sodium hypochlorite for basic chemicals production*

The CLUP serves as a guide for LGUs to maximize opportunities for creativity, innovation, and flexibility in land allocation within their development goals and objectives. It also serves as an investment guide for the private sector in making business decisions.



*Infrastructure Development: The provision of necessary infrastructure is a basic component in industrial estate development.*



## Policy and Practice

### Synchronizing Estate Development and Area Development Framework

In practice, in order for the LGU to decide systematically on how to synchronize its estate development option with its area development framework, the LGU creates a working group. Usually, the group is ad-hoc in nature and composed of representatives with the technical know-how on estate development and area development framework.

In the development of the Regional Agri-Industrial Growth Centers (RGCs) nationwide, the first pronouncement made by the Secretary of Trade and Industry, who was tasked by the President to champion the RGC Program, was the formation of Regional Task Forces. Each Task Force was composed of about ten representatives from the LGUs, private/business sector, and different line agencies involved in the development of the growth centers. The line agencies were represented by the Regional Directors of [Department of Trade and Industry \(DTI\)](#), [National Economic and Development Authority \(NEDA\)](#), [Department of Agriculture \(DA\)](#), [Department of Agrarian Reform \(DAR\)](#), [Department of Transportation and Communication \(DOTC\)](#), [Department of Public Works and Highways \(DPWH\)](#), [Local Water Utilities Authority \(LWUA\)](#), [National Power Corporation \(NPC\)](#), and other agencies as needed.

The development of RGCs was the country's centerpiece program in its bid for industrialization during the late 1980's. The Task Force was headed by the LGU while the DTI Regional Director headed the Secretariat. Among the tasks and responsibilities of the group was the formulation of a set of selection criteria for estate sites. The criteria included:

proximity to market, business district, airport and seaport; availability of labor, infrastructure and utilities; cost of land; peace and order situation in the area; and relatively less social problems in terms of land use. Sites zoned as industrial areas were preferred over land classified as agricultural to avoid social unrest among tenants and landowners. Moreover, land conversion took time because of voluminous paper requirements and clearances. It was made clear that the LGU must use its existing land use plan as its fundamental guide in selecting sites for development.

In the case of the Provincial Government of Bohol (an ARD/GOLD-assisted LGU), when it started to engage in estate development in 1997, the first step that it took was to identify possible sites, using its physical framework plan as a guide. After several workshops, discussions, and ocular inspections, three sites were identified as ready for industrial estate planning and development: Tubigon,

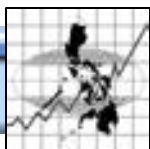
Calape, and Loon. Eventually, other areas came to be targeted for eco-tourism development, such as Panglao Island, Cabilao Island, and Balicasag Island.

What happens when the land use plan is not considered in estate planning? Other LGUs who did this made a very expensive mistake. This was the case during the first attempts of industrial estate development in the CALABARZON area (when the sites identified were still agricultural zones). When tenanted agricultural lands were identified as industrial sites, social problems surfaced, especially among affected families in the area. The immediate impact was delay in the development plans of the region, which translated into a more expensive development package for the area. The developers and LGUs had to go back to their drawing boards to design a more acceptable package and a social marketing plan before the project could be implemented.



Location map of Tubigon, Calape, and Loon towns in Bohol





# LGU Action Agenda

## Helpful Information on Land Use Preparation

Do you have an existing land use plan? Is it complete or comprehensive? Does it reflect all the various land categories in your area? Answers to these questions will reveal if the LGU needs an updated land use plan. The LGU also needs to know the cost involved in preparing a land use plan - usually, a minimum of P100,000 is needed. The cost varies among areas because of the size and other requirements unique to each area.

If the LGU lacks the funds to prepare a land use plan, it can start by preparing the Socio-Economic Profile of the area to serve as the main source of information. Field verification can be done to update land use information. This is a preparatory step where maps and aerial photographs will be very helpful.

Land supply should be accounted for. How is this done? Identify total land area. From this, deduct all protected areas, environmentally constrained areas, production forestry areas, other reservations, and existing built-up areas. Then, project the demand for spaces for industrial, commercial, residential, institutional, parks and recreational, functional open space, and other public and semi-public uses.

A sample\* outline of a Municipal Comprehensive Land Use Plan is given below:

1. Background and Rationale
  - Legal Bases and Mandates
  - Current Status and Directions for Planning
  - Physical Framework Planning at the Local Levels
  - Linkages with Other Initiatives
2. Bases of the Plan
  - Physical Profile of the Municipality
    - Land Area, Location, and Political Subdivisions
    - Land Classification, Land Use Pat-

- tern, and Topography
  - General Environment, Protective Areas, and Natural Resources
  - Current Infrastructures and Utilities
  - General Issues and Concerns
- The Municipal Population and Settlements
  - Population and Demography
  - Settlement Patterns and Distribution
  - Social Services and Infrastructure Support
  - Socio-Cultural Issues
- The Municipal Economy
  - Current Status of the Local Economy
  - Livelihood and Primary Industries
  - Local Commerce and Trade
  - Economic Support Institutions and Infrastructure
  - Sectoral Problems and Issues
- LGU Planning Capability
  - Technical Staff
  - Experiences in Planning
  - Previous Land Use Plans Done by the Municipality
- 3. Development Constraints and Opportunities
  - Inherent Potentials
  - Developmental Hindrances
  - Opportunities and Possibilities
  - People's Desires and Wishes

4. Long-Term Visions and Scenario
  - Development Goals and Paradigms
  - Major Sectoral Objectives
  - Achievement Indicators and Criteria
5. The Spatial Strategy
  - The Development Alternatives
  - The Preferred Development Strategy
  - Sectoral Proposals
6. Sectoral Policies
  - Settlement Policies
  - Infrastructure Policies
  - Production Land Use Policies
  - Protection Land Use Policies
7. The Implementation Strategy
  - Comprehensive Development Plan
  - Investment Programming
  - Zoning and Development Communication
  - Impact Monitoring and Evaluation
  - Development Communication
  - Legislative Agenda and Institutional Strengthening
  - Development Administration and Capacity Building

*\*Source: Primer on CLUP published by German Foundation for International Development Public Administration Promotion Centre, 1998. Manila, Philippines.*



*The Comprehensive Land Use Plan (CLUP) reflects the various land categories such as agriculture, forest, and built-up or urban areas.*